

The Great Eastern Shipping Co. Ltd.

Business & Financial Review

March 2013

Forward Looking Statements

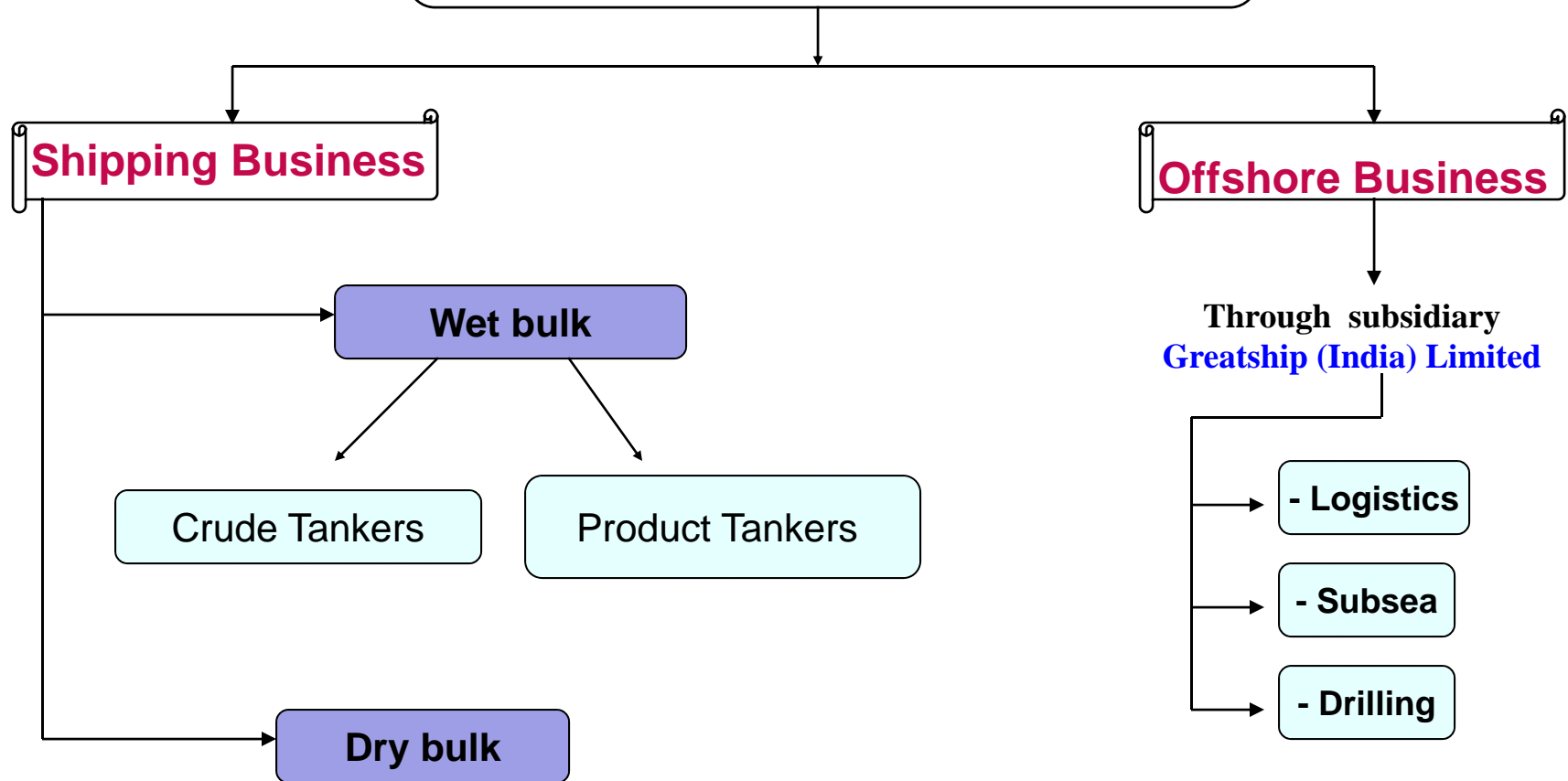
Except for historical information, the statements made in this presentation constitute forward looking statements. These include statements regarding the intent, belief or current expectations of GE Shipping and its management regarding the Company's operations, strategic directions, prospects and future results which in turn involve certain risks and uncertainties.

Certain factors may cause actual results to differ materially from those contained in the forward looking statements; including changes in freight rates; global economic and business conditions; effects of competition and technological developments; changes in laws and regulations; difficulties in achieving cost savings; currency, fuel price and interest rate fluctuations etc.

The Company assumes no responsibility with regard to publicly amending, modifying or revising the statements based on any subsequent developments, information or events that may occur.

Corporate Profile

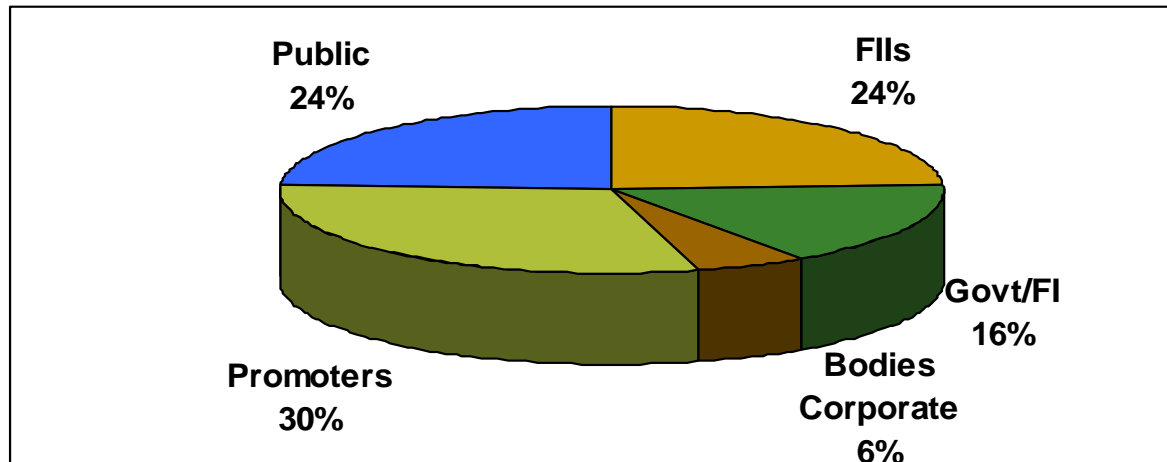
The Great Eastern Shipping Co. Ltd.
Incorporated in 1948



Company at a glance

- India's largest private sector Shipping Company
- Diverse asset base with global operations
- Completed 64 years of operations
- 28 years of uninterrupted dividend track record

Shareholding Pattern as on December 31, 2012



Shipping business-owned fleet

- ❑ **33 ships aggregating 2.60 Mn dwt, avg.age 10.0 years**
 - ❑ **23 Tankers** avg.age 10.4 years
 - **9 Crude carriers (4 Suezmax, 5 Aframax)** avg.age 10.6 years
 - **13 Product tankers (4 LR1, 6 MR, 3 GP)** avg.age 9.2 years
 - **1 LPG Carrier (1 VLGC)** avg. age 23.0 years
 - ❑ **10 Dry bulk carriers** avg.age 8.9 years
 - **1 Capesize** - avg.age 17.0 years
 - **3 Kamsarmax** - avg.age 1.3 years
 - **1 Panamax** - avg.age 18.0 years
 - **4 Supramax**- avg.age 6.3 years
 - **1 Handymax** - avg.age 16.0 years

On Order:

- 1 NB Medium Range (MR) Product Tanker- expected delivery Q4FY15

Offshore business- Fleet Profile

➤ **Current Owned Fleet**

- ✓ **3 Jack Up Rigs (350ft)**
- ✓ **4 Platform Supply Vessels (PSV)**
- ✓ **9 Anchor Handling Tug cum Supply Vessels (AHTSV)**
- ✓ **2 Multipurpose Platform Supply and Support Vessels (MPSSV)**
- ✓ **6 Platform / ROV Support Vessels (ROVSV)**

Modern & Technologically Advanced Offshore Fleet

Young Fleet

- Young fleet with an average age of approx. 3 years by FY 2012
- Demand shifting to modern vessels, especially as safety becomes a major concern for oil companies

Technologically Advanced

- Specialized/technologically advanced vessels equipped with DP I/DP II (Dynamic Positioning) and FiFi I (Fire Fighting) technologies
 - Subsea vessels are SPS 2008 compliant
- Equipped to operate in challenging environments
- Efficient and versatile vessels

Revenue Efficiencies

- Higher utilization rates
- Minimum down time

Cost Efficiencies

- Lower Operating costs
- Reduced maintenance capex & opex

Offshore Service Value Chain

	Exploration	Development	Production
Length of Typical Cycle	- 3 to 5 years	- 2 to 4 years	- 5 to 55 years
Description	<ul style="list-style-type: none"> - Collection of survey data - Analysis & interpretation - Identification of oil & gas reserves 	<ul style="list-style-type: none"> - Construction & installation of production platforms, pipelines & equipment - Preparation for production 	<ul style="list-style-type: none"> - Management of oil & gas production - Operations & Maintenance - Retrofit work
Vessels	<ul style="list-style-type: none"> -AHTV, AHTSV, MPSSV, Tugs - PSV/ Supply, Crewboats - ROV Support Vessels - Seismic survey & support hydrographic survey (for pipeline routes) - Chase boats 	<ul style="list-style-type: none"> - AHTV, AHTSV, MPSSV, Tugs - PSV/ Supply, Crewboats - Derrick/ Crane Vessels - Cable & pipe-lay vessels - Heavy Lift Transport - Offshore Dredgers - Accommodation units 	<ul style="list-style-type: none"> - AHTSV, - PSV/ Supply - MPSSV/ Production Support Vessels - Emergency Rescue & Response Vessels - Crewboats - Accommodation units

Q3FY 2013 Financial Highlights

Standalone			Key Figures	Consolidated		
Q3FY'13	Q3FY'12	9mFY'13	(Amount in Rs. crs)	Q3FY'13	Q3FY'12	9mFY'13
			Income Statement			
547.55	488.56	1545.79	Revenue	880.95	836.44	2550.92
224.90	179.60	578.65	EBITDA	441.51	336.15	1194.88
75.13	28.71	136.56	Net Profit	191.84	87.46	454.03
			Balance Sheet			
9950.80	10269.90	9950.80	Total Assets	14407.43	14007.55	14407.43
5113.50	5038.88	5113.50	Equity	6417.59	5942.79	6417.59
3768.75	4091.25	3768.75	Long Term Debt (Gross)	6620.81	6585.36	6620.81
507.46	1459.64	507.46	Long Term Debt (Net of Cash)	2481.52	3293.23	2481.52
3261.29	2631.61	3261.29	Cash Balance	4139.29	3292.13	4139.29

Q3FY 2013 Financial Highlights

Standalone			Key Ratios	Consolidated		
Q3FY'13	Q3FY'12	9mFY'13		Q3FY'13	Q3FY'12	9mFY'13
			Key financial figures			
41.07%	36.76%	37.43%	EBITDA Margin (%)	50.12%	40.19%	46.84%
5.85%	2.20%	3.55%	Return on Equity (ROE) (%)	12.10%	5.81%	9.75%
5.76%	4.43%	4.44%	Return on Capital Employed (ROCE) (%)	8.66%	6.44%	7.49%
0.74	0.81	0.74	Gross Debt/Equity Ratio (x)	1.03	1.11	1.03
0.10	0.29	0.10	Net Debt/Equity Ratio (x)	0.39	0.55	0.39
			Share related figures			
4.93	1.89	8.97	Earnings per share, EPS (Rs)	12.60	5.74	29.81
4.92	1.88	8.95	Diluted earnings per share (Rs)	12.57	5.73	29.75
11.21	6.94	27.16	Cash Profit per share (Rs)	22.51	13.78	58.87
3.00	3.00	3.00	Dividend per share (Rs)	3.00	3.00	3.00
249			Net Asset Value per share (Rs)	429		

Q3FY'13 Performance Highlights

Breakup of revenue days

Revenue Days	Q3'FY13	Q3'FY12
Owned Tonnage	3,144	2,947
Inchartered Tonnage	128	166
Total Revenue Days	3,272	3,113
Total Owned Tonnage (mn.dwt)	2.60	2.62

Mix of Spot & Time

Days (in %)	Q3'FY13	Q3'FY12
<u>Dry Bulk</u>		
Spot %	49%	67%
Time %	51%	33%
<u>Tankers</u>		
Spot %	47%	51%
Time %	53%	49%
<u>Total</u>		
Spot %	48%	55%
Time %	52%	45%

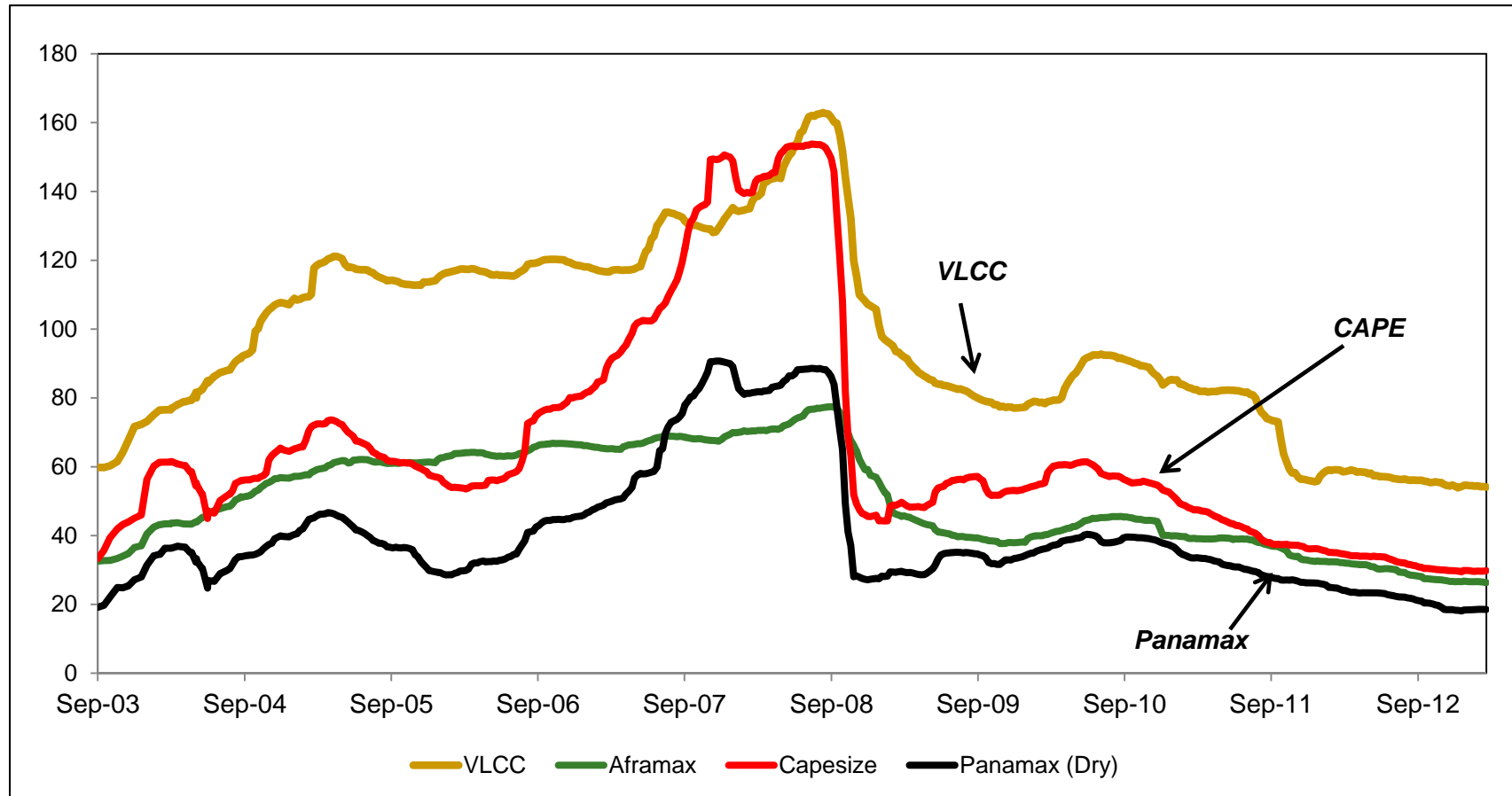
Average TCY Details

Average (TCY \$ per day)	Q3'FY13	Q3'FY12	% Chg
Crude Carriers	15,888	18,664	(15)%
Product Carriers (Incl. Gas)	16,111	14,885	8%
Dry Bulk	8,996	16,114	(44)%

Asset Price Movement (5 yr old)

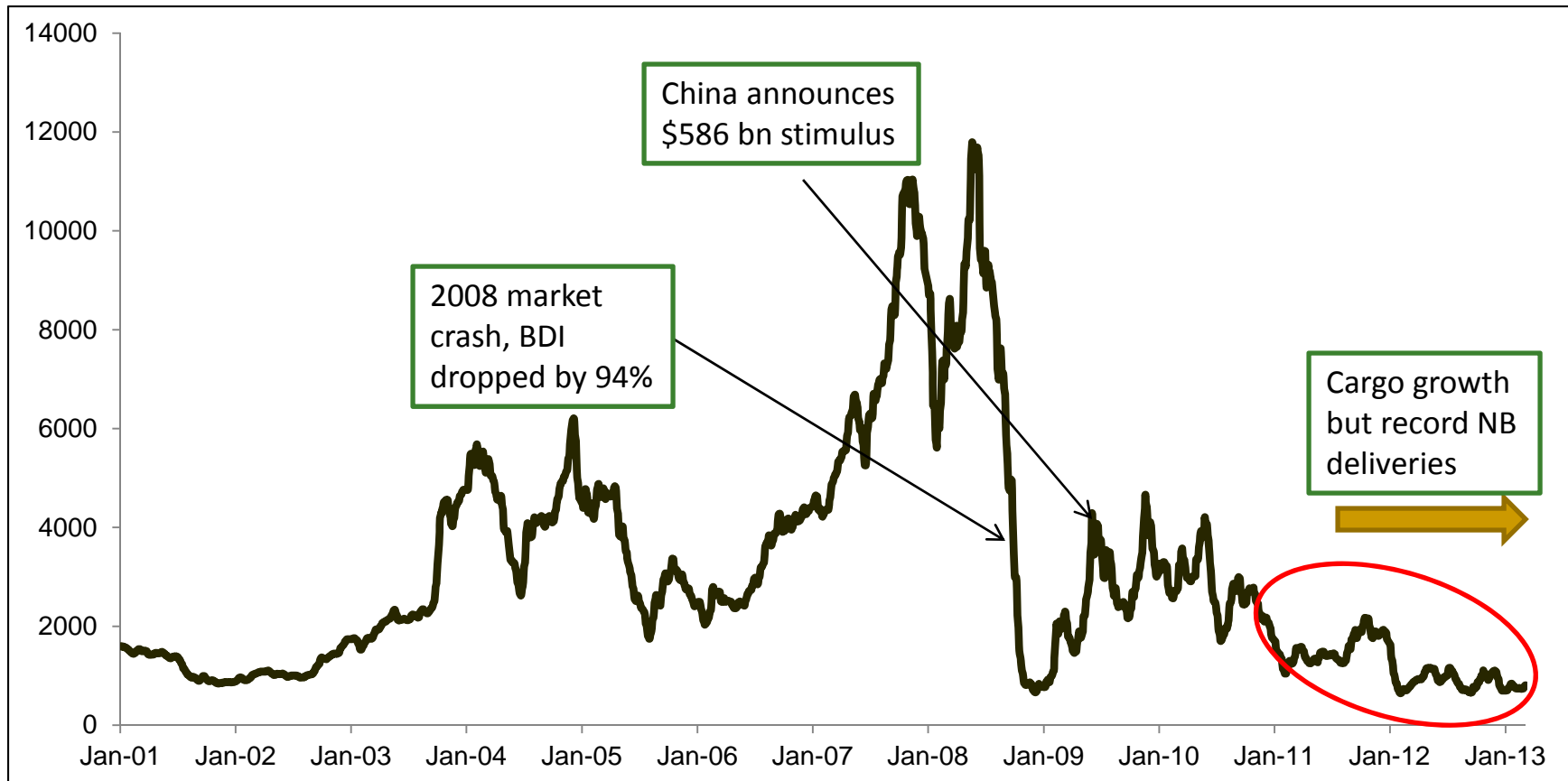
Timeline- Sep 2003 till 4 Mar, 2013

Amt in US\$ mn



Source: Baltic Sale & Purchase Assessment

BDI Movement (1 Jan'01 to 5 Mar'13)

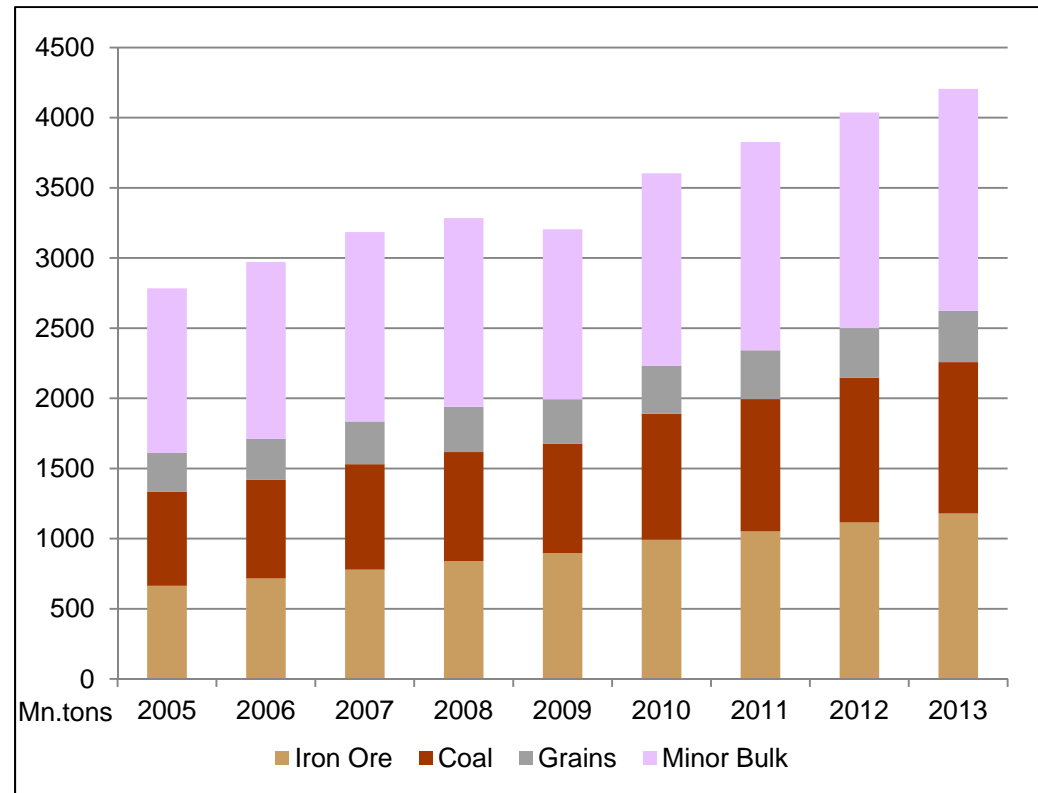
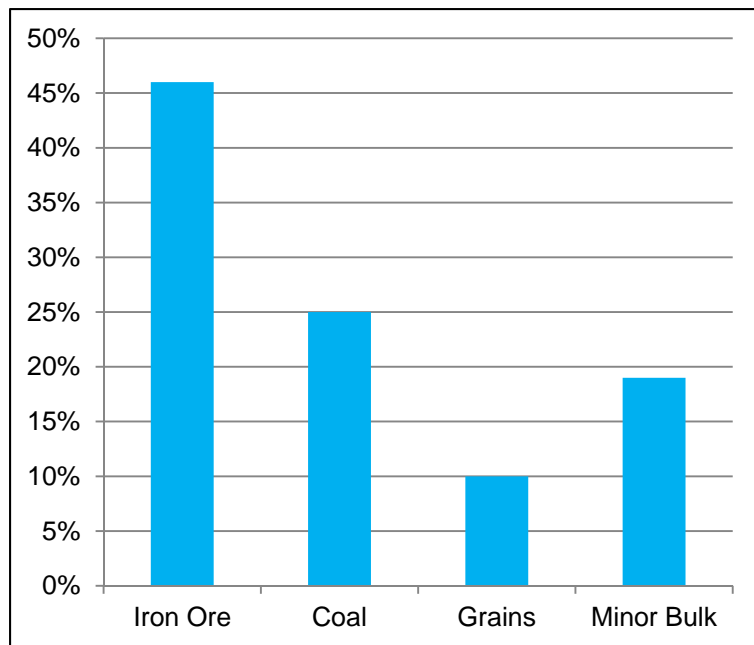


BDI hovering around its lowest levels on back of relentless fleet growth despite steady improvement in the cargo movement

Seaborne Bulk Trade ... growing steadily

Global dry bulk seaborne trade reached 4.0 bn tons in 2012

Contribution to seaborne trade growth by commodity



Seaborne trade to grow *CAGR 5%* between 2012 & 2014

Dry Bulk Trade ... Evolving Trade Patterns

Chinese coastal trade

- Expected to grow rapidly due to inland transport restrictions
- But.. Mostly done through Chinese flagged vessels

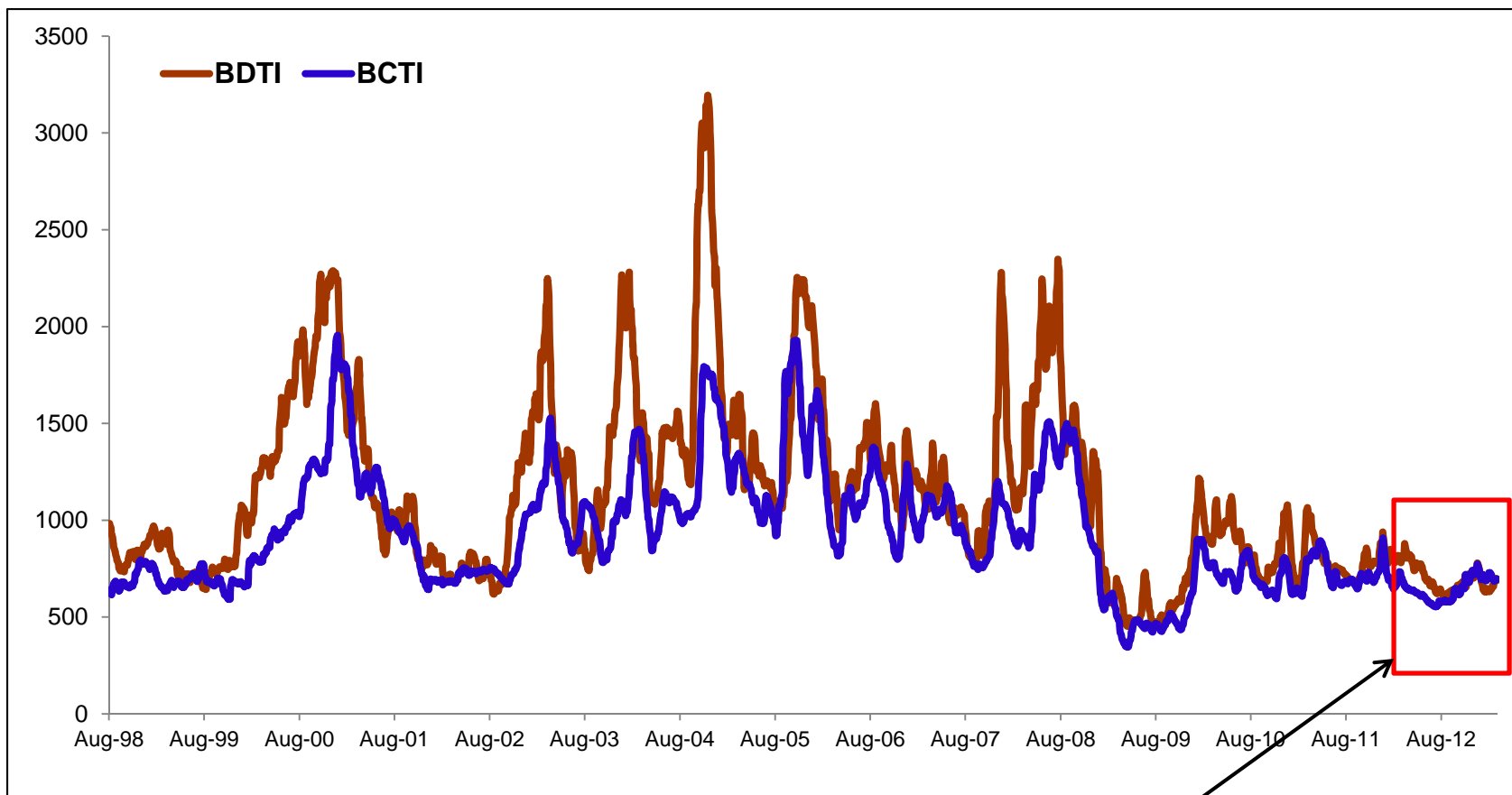
India... catching up

- To be leading coal importer in the world
- Developing ports to specifically suit the trade
- UMPPs to create greater coal demand once commissioned

Long routes & bigger parcels

- Apart from Indonesia & S.Africa, China going far away to Colombia to source coal
- Larger parcel size moved from Brazil to China (Chinamax)

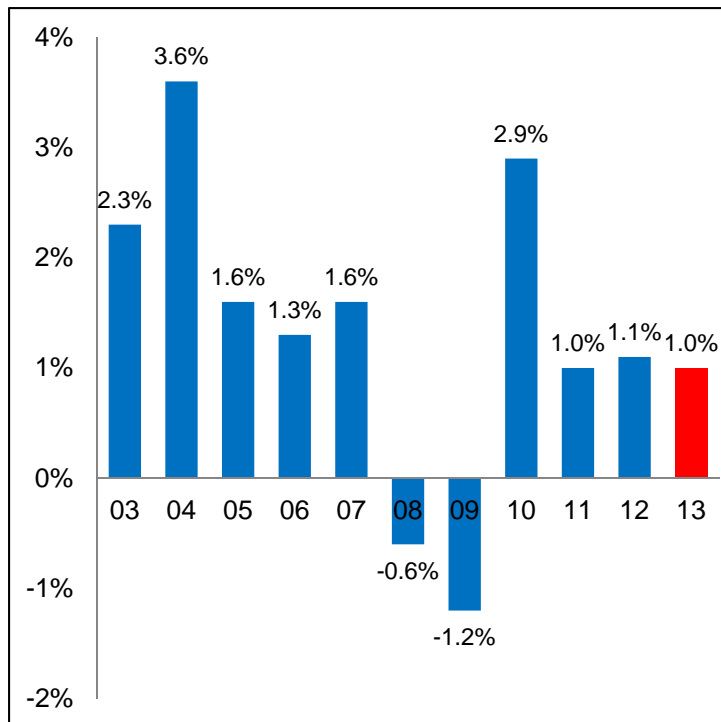
BDTI & BCTI Movement (Aug'98 to 5 Mar'13)



Sluggish demand & steady fleet growth keeping the TCYs low

Global Oil Demand Scenario

Global Oil demand growth



Region wise demand growth

mn.bpd	2011	2012	2013(E)	% chg (CY13 over CY12)
N.America	24.1	23.8	23.8	-
OECD Europe	14.3	13.8	13.6	(1.5)%
OECD Pacific (Japan& Korea)	8.1	8.5	8.3	(2.4)%
Asia (Non OECD)	20.3	21.0	21.6	2.9%
Other Non OECD	22.1	22.7	23.5	3.5%
Total	88.9	89.9	90.8	1.0%

Muted growth from developed economies....

Non OECD countries making up for the lost demand

Products trade... promising future!!!

Nearly 20% growth in capacity until 2015 – 620 MMTPA (68 new refineries)

51 new refineries are planned in Asia Pacific, Middle East and Africa

Middle East refineries will primarily focus on export (370 MMTPA)

Asia Pacific (except from India) focused more on domestic markets (240 MMTPA)

Very little expansion in Europe and North America due to environmental regulations

Top 5 countries (Saudi Arabia, Iran, India, China, Brazil) – 43% of the total growth

High demand for petroleum products increases competitiveness of the industry

Oil Trade – Changing patterns...

Oil supply dynamics changing

Iran – Hit by sanctions
North Sea – Decreasing Supply
Venezuela – Diversifying Customer base
West Africa – More takers
Angola , Algeria – inching production
Nigeria – increasingly unstable

Oil demand sourcing matrix changing

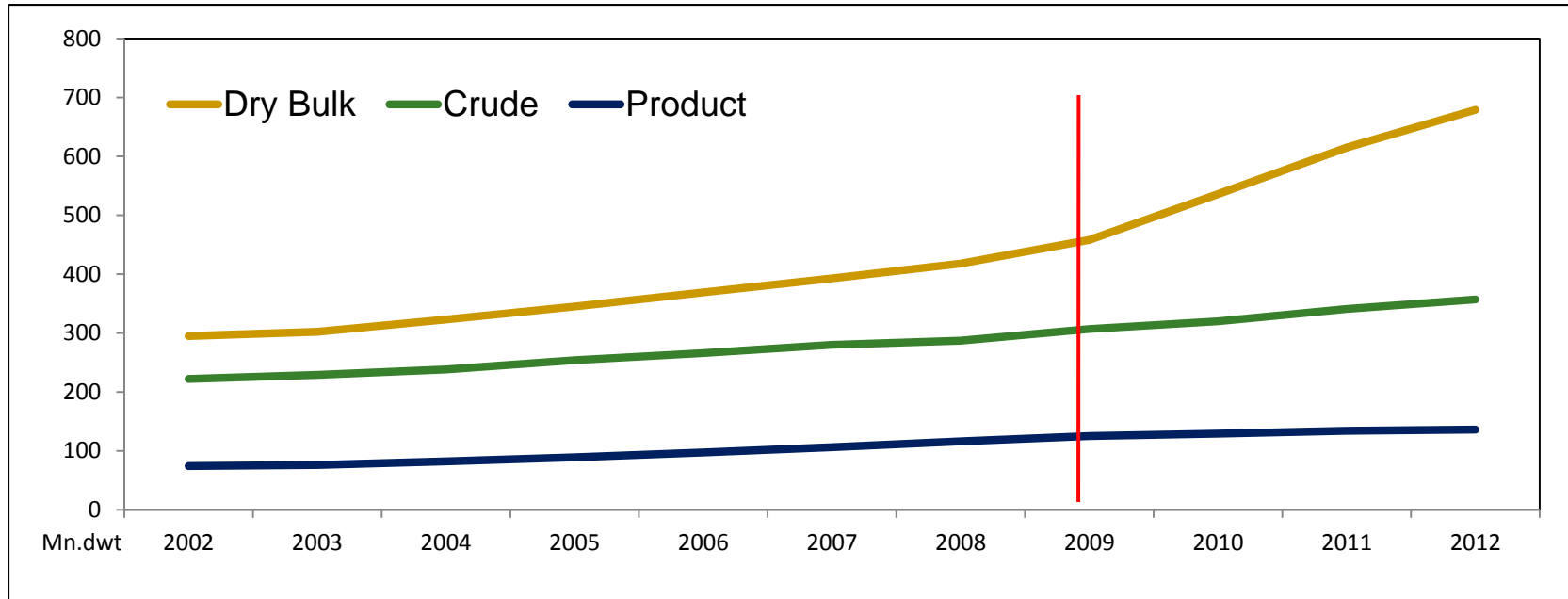
China & India in forefront

Other Market Developments

Increasing demand from India & China
Political Risk - MENA, Venezuela

Resulting in long haul trade routes...

World Fleet Growth



Fleet growth 2002-2012

(mn dwt)	2002	2007	2012	% change (2012 over 2002)
Dry	295	393	679	130%
Crude	222	280	357	60%
Product	74	106	136	83%

... Fleet continues to grow

World Fleet addition*	Fleet (as on 1 Mar'13)	CY2013	CY2014	CY2015 +
	(in mn dwt)			
Crude tankers	360	7%	4%	1%
Product tankers	137	6%	4%	1%
Dry bulk carriers	688	12%	5%	1%

*includes only new building from yards

- 2% of world tanker fleet is single hull

Scrapping... too little to cheer

Fleet as on 1 st Mar'13		Scrapping (in mn dwt)	CY2009	CY2010	CY2011	CY2012	CY2013 YTD*
(in mn dwt)							
360		Crude	5.0	7.1	6.9	9.4	1.0
137		Product	3.8	5.8	3.0	2.4	0.3
688		Bulk	10.4	5.7	22.2	32.9	5.4

* As of end Feb'13

***Require acceleration in
scrapping to minimize the
demand supply mismatch***

Global Shipbuilding... Shrinkage in Capacity

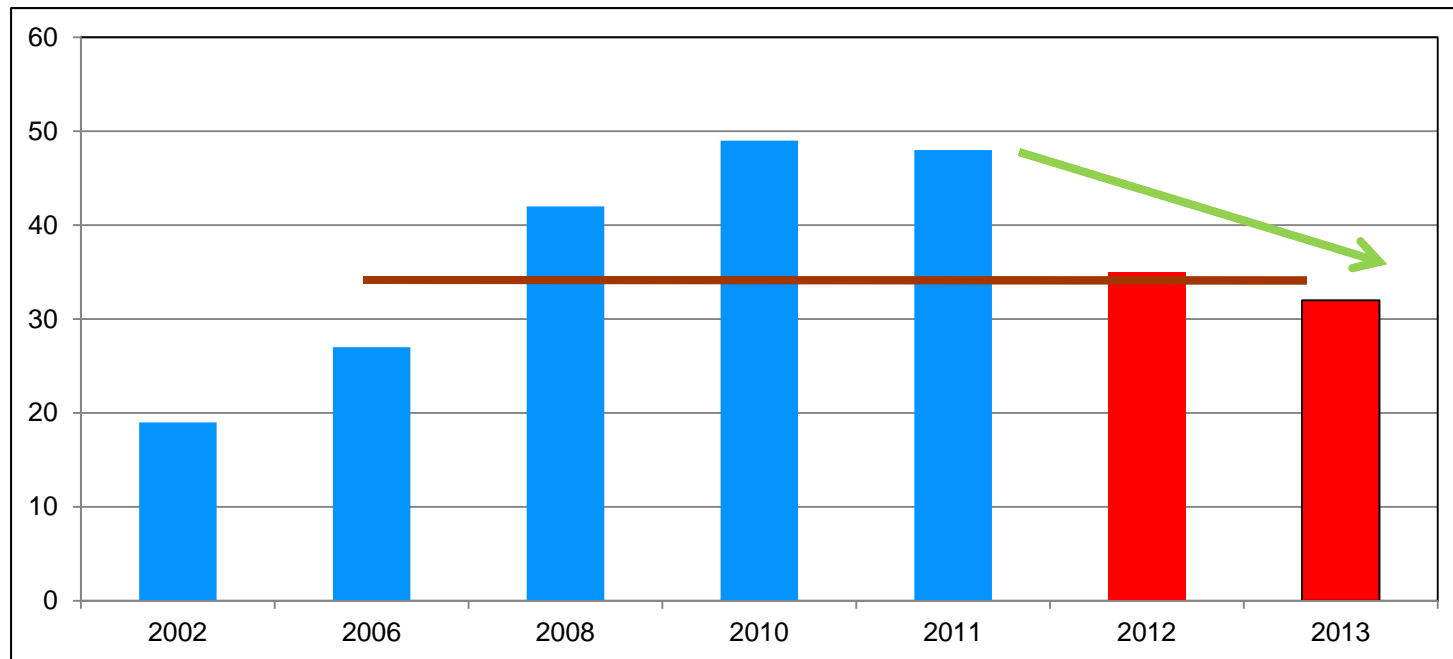
Capacity to contract due to combination of:

- yard closures
- return to pre-boom business models such as ship repairs
- use of shipbuilding berths and workforces for non-shipbuilding activity
- reduction in berth productivity

~ Half of Chinese yards having not taken any new orders since 2008

Global Shipbuilding... Shrinkage in Capacity

Yard Output (mn.gt)



Yard output to decline from a peak of 49 mn gt in 2010 to 32 mn gt in 2013
.... A decline of 35%

2013 (e) yard capacity still higher than the pre boom capacity of 2006

Global Fleet Supply -Offshore

➤ ~ Half of the world offshore vessel fleet is more than 22 years

➤ Average age of existing jackup rig fleet is about 24 years

(Nos)	Jackup Rigs	AHTSVs	PSVs
Current Fleet	571	2,958	2,093
Orderbook	76	204	405
% of O/B to current fleet	13%	7%	19%

As on 1'Mar'13



THANK YOU

visit us at www.greatship.com

